













June 25, 2007

Honorable Don Perata President Pro Tem, California Senate Sacramento, CA 95814

Honorable Fabian Nunez Speaker, California Assembly Sacramento, CA 95814

RE: Delay of Final Report on State Alternative Fuels Plan Pursuant to AB 1007 (Pavley)

Dear Senator Perata and Speaker Nunez:

On behalf of the above-listed organizations, we are writing in support of a request from the California Energy Commission to delay beyond the June 30 legislative deadline the Commission's release of its state plan to increase the use of alternative transportation fuels pursuant to AB 1007. Our organizations have been closely tracking the CEC and Air Resources Board's work on the State Alternative Fuels Plan and believe the Commission is justified in requesting an extension for the final report.

At its business meeting this week, CEC will consider adoption of the Full Fuel Cycle Analysis portion of the report. This comprehensive analysis forms the basis of the Alternative Fuels Plan and has been subject to extensive public review and comment since its draft release in February.

Additional time is necessary, however, to complete the second main portion of the report. The Scenario Analysis is an ambitious effort to evaluate the potential for alternative fuels to penetrate the transportation fuels market. CEC has engaged many stakeholders in the

data gathering process, however, the analyses are still being developed and there has not yet been enough time for stakeholder review. The most critical piece, the Alternative Fuel Plan resulting from the fuel cycle and the scenario analyses, has not been subject to public review at all. This work is extremely complex, and more time is needed to ensure that CEC continues to follow the deliberate and thoughtful process it has launched.

As adopted, AB 1007 lists the adverse effects of California's reliance on petroleum fuels: "significant degradation of public health and environmental quality due to releases of air and water pollutants." The bill notes that "Clean alternative fuels have the potential to considerably reduce these impacts and are important strategies for the state to attain its air and water quality goals." The strategic use of clean alternative fuels can also help the state meet additional goals, including reducing global warming pollution, promoting energy security, and driving investment and research into clean energy and clean technologies.

For all these reasons, the state's Alternative Fuels Plan is critically important. We firmly believe that it is far preferable to delay the plan briefly to ensure that its proposed recommendations and strategies are based in sound scientific, economic and market analyses rather then rushing simply to meet a deadline.

Thank you for your consideration.

Bonnie Holmes Den

Sincerely,

Bonnie Holmes-Gen

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American Lung Association of California

John Shears CEERT

Tim Carmichael

Coalition for Clean Air

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Daniel Emmett Energy Independence Now

Danielle Fugere Friends of the Earth

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Natural Resources Defense Council

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Patricia Monahan

Union of Concerned Scientists

Cc: CEC Commissioner Jim Boyd CEC Commissioner Jeffrey Byron ARB Chairman Bob Sawyer Susan Brown Tim Olson McKinley Addy Barbara Fry